

INTERNAL SERVICE FUNDS

Internal Service Funds account for services provided by specific County agencies to other County agencies on a cost reimbursement basis. The services consist of insurance, central acquisition of commonly used supplies and equipment, vehicle fleet maintenance, communications, and data processing. Revenues of these funds consist primarily of charges to County agencies for these services. Specific funds included in this group are:

Fund 500, Retiree Health Benefits, provides for subsidy payments of \$100 per month to eligible retirees of the County to help pay for health insurance. The number of beneficiaries, including new retirees, disability retirees, and current retirees who will reach the age of 55, is expected to increase by 154, or 10.7 percent, from 1,444 in FY 2000 to 1,598 in FY 2001. Participants who become eligible to receive benefits are paid based on the period of eligibility within the fiscal year, which may or may not comprise a full year of payments.

Fund 501, County Insurance Fund, is utilized to meet the County's casualty obligations. This fund provides insurance coverage, funds the County's liability exposures, and provides worker's compensation benefits in the form of medical and disability payments to employees who sustain occupational injuries.

Fund 502, County Central Stores, is administered by the Department of Purchasing and Supply Management and is used to finance the central acquisition of supply and equipment items for issue to County agencies. This fund operates as a quasi-revolving fund requiring an annual appropriation, although expenditures are covered through receipts from sales and the fund replenishes itself.

Fund 503, Department of Vehicle Services, ensures that the County's vehicle fleet is responsive to the transportation needs of all customer agencies and is operated in a safe and cost-effective manner. This fund also provides vehicle maintenance support to the Fairfax County Public Schools and Fairfax County Park Authority.

Fund 504, Document Services Division, provides printing, copier, and micrographic services to County and School agencies. All direct labor and material costs associated with these activities are billed to user agencies. The print shop operation located at the Government Center is responsible for all printing requirements for the County and the Schools.

Fund 505, Technology Infrastructure Services, is managed by the Department of Information Technology and provides Data Center and Network Services to County agencies. Infrastructure costs associated with the operation and maintenance of the mainframe, data communications, PC replacements, and radio networks are billed to user agencies.

Fund 506, Health Benefits Trust Fund, is the County's self-insurance fund which provides health insurance benefits to Fairfax County employees. Premium rates are set by the County based on projected receipts and claims expense for the fiscal year. Revenues for these self-insured plans are received from health insurance premiums deducted from employees' salaries, and from the County share of Blue Cross/Blue Shield premiums. Premium rates are based on historical trend analysis of receipts and claims expenses.

Fund 590, Public School Insurance Fund, is an insurance fund that provides administration of workers' compensation accounts, centralization of self-insurance accounts for automobile and general liability, and commercial insurance for other liabilities.

Fund 591, Public School Health and Flexible Benefits Fund, is the Fairfax County Public Schools self-insurance fund which provides health insurance benefits to its employees.

Fund 592, Public School Central Procurement, facilitates accounting of orders for textbooks, supplies, and equipment for the Fairfax County Public Schools (FCPS). School purchases made through this fund are charged to individual school accounts; therefore, this Internal Service clearing account does not increase the total FCPS budget.